

DRAFT

Sullivan County NH

Type of Meeting: **Sullivan County Full Delegation**
Date / Time: **August 31, 2007 / 9:00 am**
Place: **Ahern Building, Unity**

Participants

Representatives: Peter Franklin (Chair), Ray Gagnon (Vice-Chair), Ellen Nielsen (Clerk), John Cloutier, Larry Converse, Tom Donovan, Brenda Ferland, Arthur Jillette, Jay Phinizy, Beverly Rodeschin and Carla Skinder

Commissioners: Ethel Jarvis

Other Elected Officials and County Employees: Cynthia Sweeney, County Treasurer, Greg Chanis, Facilities and Operations Director; Ross Cunningham, Department of Corrections Superintendent

Public Participant: Jeff Goff

Press: Aaron Aldridge, *Eagle-Times*

The meeting was called to order at 9:20 and began with the Pledge of Allegiance. (The delay in starting was caused by an attempt to find a tape recorder. The recorder which was provided did not work. In the end, this meeting was not tape-recorded.)

Minutes of July 13, 2007

Copies of the minutes of the last full delegation meeting on July 13, 2007 were distributed and considered. The clerk apologized for forgetting to pick up the tape recorder at the commissioners' office. Rep. Rodeschin asked a question of the chair—if we have elected a clerk, and we trust the accuracy of the clerk's minutes, why do we need a tape? The clerk responded that the tape is useful for preparing accurate minutes.

Rep. Skinder noted that according to the minutes, Rep. Franklin had said that he would resign from his position as chair of the delegation at the August meeting, and asked Rep. Franklin when he was going to resign and what process would be used to choose a new chair. Rep. Franklin responded that he was not going to resign until after the 2007 audit is available. Following up, Rep. Skinder asked if Rep. Franklin still intended to resign, and Rep. Franklin responded that he "probably" would resign.

Rep. Converse moved that the minutes be accepted and Rep. Skinder seconded the motion. The minutes were accepted by a voice vote.

Then Rep. Nielsen signed the minutes of July 13, and gave them to Commissioner Jarvis, who agreed to bring them to the commissioners' office on September 4, because they are needed to complete the auditors' report.

Public Participation

Jeff Goff was recognized by the chair and stated that he was speaking as private citizen to express his concern about two issues:

1. In choosing a bank from which to borrow money, the county should put tax anticipation notes out to bid
2. He has been embarrassed by newspaper accounts of the practices of the county delegation and hopes that members of the delegation can

begin to look beyond their personal agendas. He thinks the relationship between the delegation and the county manager is unacceptable.

Several representatives asked questions while others thanked Mr. Goff for his comments. Rep. Franklin offered to meet with Mr. Goff privately and Mr. Goff responded that what he had to say should be said in a public forum. Rep. Gagnon said that he had been approached by numerous residents of Claremont who had expressed similar concerns. Rep. Cloutier said that even though criticisms may sting it is important to hear them.

Next, Mr. Cunningham, who is the new superintendent of the county correctional center, introduced himself and described his previous experience as a state correctional officer. He invited delegates to contact him at any time.

Agenda Review

Rep. Franklin asked if there were additions to the agenda. Rep. Nielsen said that she was aware that the chair of the Unity Conservation Commission, Bardon Flanders, had requested to speak with the delegation and that apparently he had been told that his presentation would not be put on the agenda for this meeting and had assumed that this meant he could not speak at the meeting. Several delegates, including Rep. Franklin, stated that any member of the public may participate in delegation meetings at any time. Rep. Nielsen requested that Mr. Flanders be allotted a place on the agenda at the next delegation meeting.

Rep. Rodeschin attempted to introduce a motion to add the County Treasurer's request for authority to borrow money to the agenda, and was told that this issue was already on the agenda as part of the discussion of county finances.

Rep. Skinder moved to accept the proposed agenda and Rep. Converse seconded the motion. The motion passed by a voice vote.

County Finances

Most delegation members had received an email with an attached Excel spreadsheet prepared to explain County Treasurer Cynthia Sweeney's request for authority to extend the county's existing line of credit in anticipation of borrowing \$4,000,000 dollars between now and the receipt of tax revenues in early December. Rep. Ferland explained that the Executive Finance Committee had not had a chance to meet to consider this request.

Rep. Phinzy moved that the delegation act as a committee of the whole in order to discuss the county budget and Rep. Converse seconded this motion. Rep. Ferland offered a friendly amendment to the motion, specifying that the committee of the whole would act only on this request from the County Treasurer, and Rep. Cloutier seconded this amendment. The amended motion was passed by a voice vote.

Representatives discussed the fiscal 2008 budget. Except for the County Treasurer's request, there is little new information. The auditor's report is not yet available. Rep. Gagnon commented that putting tax anticipation notes out to bid seemed like a good idea. Rep. Ferland pointed out that the delegation has no authority to solicit bids [on interest rates] from banks and that this is the responsibility of the commissioners and the county treasurer. Comm. Jarvis

said that there is an informal process of shopping around for the lowest interest rates.

Rep. Rodeschin said that the delegation must give the county treasurer an authorization to borrow before such a process can take place. Rep. Franklin said that the treasurer had requested and received authorization to borrow up to \$4,500,000 and now was asking to borrow another \$4,000,000. Rep. Ferland asked the chair to allow the county treasurer to speak to her request for authorization from the delegation.

County Treasurer Sweeney explained the cash flow information on the spreadsheet, which she had provided and said that the commissioners had already voted to allow the borrowing. She said that it costs about two million dollars a month to operate all county services, and this amount does not include the biweekly county payroll. The primary revenue sources are taxes and the nursing home, although there are smaller amounts of revenue from other sources. Unfortunately the nursing home census is low (126) and the budget had anticipated a patient census of 146. Therefore nursing home revenue is down and there is a cash flow crunch.

Representatives discussed the treasurer's request. Rep. Rodeschin said that if we do not authorize the borrowing the county will close down. Rep. Franklin said that it is not unreasonable to ask how the county got into this situation and expressed concern about where the money will come from to operate county services for the second half of fiscal 2008. Rep. Donovan said that it is obvious that the county must borrow money, but asked, "What is happening to curtail spending?" Comm. Jarvis said that the commissioners are just as concerned and have asked all department heads to look for ways to cut spending. Rep. Phinzy asked if any of the fiscal 2007 debt (\$2,500,000) had been repaid. The treasurer explained that all revenues, which had come in, had been used to meet payrolls and to make a \$300,000 payment to the state, and none of the debt had been repaid. Rep. Franklin spoke against authorizing the entire amount, which had been requested because no one had taken a meaningful look at expenditures.

Rep. Rodeschin moved that the delegation table the request to authorize borrowing the money. The motion was not seconded.

Rep. Skinder asked if it was necessary to borrow all of the \$4,000,000 at this time. The treasurer responded that she was asking for authorization to set up a line of credit for that amount and that the money would be borrowed as needed. Rep. Franklin said that he thought the delegation should authorize the treasurer to borrow only \$1,000,000. Rep. Ferland said that the usual practice of the county has been to ask for an \$8,000,000 line of credit at the beginning of a fiscal year in order to cover payrolls and expenses until tax revenues are available, and that the only way to cut the budget is to cut personnel.

Rep. Skinder moved that the delegation approve the \$4,000,000 line of credit requested by the treasurer and the commissioners. Rep. Ferland seconded the motion.

Discussion continued. Rep. Donovan spoke to the motion and said that the responsibility for making budget cuts belongs to the county commissioners. Rep. Cloutier also spoke to the motion and said he was anxiously awaiting the audit results. Rep. Skinder warned against laying off nursing home staff—if the

patient census goes up again it will be necessary to hire agency nurses, which will cost more in the long run.

Rep. Phinizy moved the question and Rep. Donovan seconded the motion. Rep. Franklin requested a roll call vote on the motion to authorize the county treasurer to increase the county's line of credit by \$4,000,000 and to borrow the money as needed. The motion passed, with representatives voting as follows: YES: Cloutier, Converse, Donovan, Ferland, Gagnon, Jillette, Nielsen, Phinizy, Rodeschin and Skinder. NO: Franklin

Rep. Franklin announced that he had signed the MS42 and delivered it to the Department of Revenue Administration, along with a cover letter explaining his reservations about signing it because the fiscal 2007 audit results had not been available. [The clerk previously had signed the MS42.] Rep. Ferland objected to the inclusion of the letter and asked how the fiscal 2007 audit results were connected with the fiscal 2008 MS42.

New Business

Some representatives complained that they had not received all of the emails, which had been sent out by the commissioner's office and the treasurer and/or could not open attachments such as Excel spreadsheets. Most agreed that it would be helpful to receive hard copies of documents, but wanted this to be done in a way that economized on paper (double sides) and postage (sending several items in one envelope.)

Rep. Phinizy moved that all delegates be provided with paper copies of important information as needed. Rep. Cloutier seconded the motion. The motion passed by a voice vote.

Rep. Donovan reported briefly on the work of the committee (Reps. Donovan, Gottling, and Houde), which is working with the commissioners to develop a letter of understanding regarding transfers within and between funds. Rep. Rodeschin expressed concern about the delegation micromanaging the work of the commissioners. Rep. Gagnon pointed out that the committee was not trying to micromanage but was instead seeking closer cooperation with the commissioners. Rep. Cloutier requested that a more detailed report from the committee be included in the agenda for the next delegation meeting.

Rep. Rodeschin moved that the meeting be adjourned and Rep. Skinder seconded the motion. The motion was passed by a voice vote.

No date for the next meeting was set. The delegation will meet again at the call of the chair.

Respectfully submitted,

Rep. Ellen Nielsen, Clerk

WE, the Executive Finance Committee of the County Convention of Sullivan County New Hampshire, certify that at the meeting of the Delegation, held Friday, August 31, 2007 at the Unity County Complex, Ahern Building, of which meeting each member of the Committee was duly notified and at which a quorum was present, the following resolution was unanimously passed, all of which appear upon the official records of Committee in our custody:

- ❖ **VOTED** - That approval is hereby given to the County Treasurer, Cynthia Sweeney, to borrow up to FOUR MILLION (\$4,000,000) upon the order of the County Board of Commissioners, pursuant to RSA 29:8.

Dated: **August 31, 2007**

Approved by:

Brenda Ferland
Representative Brenda Ferland, Chair

John R. Cloutier
Representative John Cloutier, Vice Chair

Larry Converse
Representative Larry Converse

Thomas E. Donovan
Representative Tom Donovan (EFC Clerk)

Representative Suzanne Gottling

Witnessed by:

Tom Ferland
Name/Title

To all signatories